

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6126

BILL NUMBER: SB 35

NOTE PREPARED: Feb 23, 2009

BILL AMENDED:

SUBJECT: Indiana Court of Appeals.

FIRST AUTHOR: Sen. Bray

FIRST SPONSOR: Rep. L. Lawson

BILL STATUS: As Passed Senate

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

STATE IMPACT	FY 2009	FY 2010	FY 2011
State Revenues			
State Expenditures	3,750	1,357,449	2,206,186
Net Increase (Decrease)	(3,750)	(1,357,449)	(2,206,186)

Summary of Legislation: This bill establishes the Sixth District of the Court of Appeals of Indiana as of January 1, 2010. It provides that the entire state constitutes the Sixth District.

(The introduced version of this bill was prepared by the Commission on Courts.)

Effective Date: Upon passage; January 1, 2010.

Explanation of State Expenditures: *Sixth District Court of Appeals* -- This new three-judge panel would begin operating on January 1, 2010.

Prior to the Sixth District beginning operation, the Judicial Nominating Commission would be required to nominate three candidates for each of these judgeships prior to November 1, 2009. Since one meeting would likely be needed to identify a candidate for each judgeship, at least three meetings are assumed to be conducted in FY 2009.

The Department of Administration also would be required to arrange for facilities for the Court of Appeals.

The total new staff would include

- three judges.
- three secretaries.
- three chief judicial law clerks.
- six judicial law clerks.

The salaries of trial court judges and court of appeals judges are adjusted annually by state law. (See *Background* below concerning salary adjustments and medical benefits.)

Added administrative support would be needed to support all six courts of appeals and support staff, which would exceed 100 employees. These added support staff would include:

- a staff attorney.
- administrative assistant for staff attorney.
- computer technician.
- a personnel and financial officer.

Cost estimates include one-time costs for furniture and automation. Ongoing costs include salaries and benefits and rent. The following cost estimates are made for the 6th District.

Estimated Costs of Sixth District Court of Appeals				
	FY 2009	FY 2010	FY 2011	FY 2012
Salaries (\$147,103 in FY 2009 assumed to increase 2.5% annually)		\$75,391	\$154,550	\$158,414
Annual Subsistence Allowance		\$1,500	\$3,000	\$3,000
Fringe Benefits (10.29% of Salaries)		\$7,758	\$15,903	\$16,301
Judges Retirement Fund Contribution		\$10,123	\$20,651	\$21,064
Travel & Education Expenses per Judge (\$10,000 per year)		\$5,000	\$10,000	\$10,000
Health, Vision, and Dental Insurance (\$9,793 Blended Rate)		\$4,897	\$9,793	\$9,793
Cost for each Judge x 3		\$314,003	\$640,477	\$653,261
Staff (1 Senior Judicial Law Clerk, 2 Clerks, 1 Secretary)		\$117,586	\$239,874	\$244,672
Fringe Benefits (19.54% of Salary)		\$22,976	\$46,871	\$47,809
Health, Vision, & Dental Insurance (\$9,520 Blended Rate)		\$19,586	\$38,080	\$38,080
Cost for Core Support Staff for Judges x 3		\$480,443	\$974,478	\$991,682
Staff (1 Staff Attorney, 1 Admin Assistant, 1 Computer Tech, 1 Personnel/Financial Officer)		\$106,032	\$216,305	\$220,631
Fringe Benefits (19.54% of Salary)		\$20,719	\$42,266	\$43,111
Health, Vision, Dental Insurance (\$9,793 Blended Rate)		\$39,172	\$76,160	\$76,160
Additional Administrative Staff (for entire Court of Appeals)		\$165,923	\$334,731	\$339,903
Commission on Judicial Qualifications (4 Meetings in FY 2009 at \$1,250 per Meeting)	\$3,750			
Start-up for Automation (Hardware & Software for all new staff)		\$37,830		
Furniture (\$75,000 x 3 Judges + \$6,000 x 1 attorney)		\$231,000		
Rent (2000 Sq. Ft. @ \$19/sq. ft) x 3 Judges + (150 Sq. Ft. @ \$19/sq. ft) x 1 staff attorney		\$128,250	\$256,500	\$256,500
Total Cost	<u>\$3,750</u>	<u>\$1,357,449</u>	<u>\$2,206,186</u>	<u>\$2,241,346</u>

Background Information on New Court Costs -- Under IC 33-38-5-8.1, salaries of judicial officers are adjusted each year by the amount that executive staff in the same salary bracket are paid. For this analysis, judicial officers are assumed to receive a 2.5% annual salary increase.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Court of Appeals.

Local Agencies Affected:

Information Sources: Steve Lancaster, Administrator of the Indiana Court of Appeals.

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